

DAVENPORT EVANS

LAWYERS

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June 18, 2012

DOUGLAS J. HAJEK
Direct Dial: 605-357-1227
E-mail: dhajek@dehs.com

Jason Gant
Secretary of State
State of South Dakota
500 E. Capitol
Pierre SD 57501

Re: \$1,400,000 City of Madison, South Dakota Economic Development Revenue Bonds (Bethel Lutheran Home Project), Series 2012

Dear Mr. Gant:

Enclosed is the Bond Information Statement for the above-referenced bond issue. Also enclosed is our check in the amount of \$10.00 for the filing fee. Thank you.

Sincerely,



DOUGLAS J. HAJEK
For the Firm

DJH:ras

Enclosures

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BOND INFORMATION STATEMENT

State of South Dakota
SDCL 6-8B-19

Return to: Secretary of State
State Capitol, Suite 204
500 E. Capitol Ave.
Pierre, SD 57501

Filing Fee: \$10.00
(605) 773-3537

Every public body, authority or agency issuing any general obligation, revenue, improvements, industrial revenue, special assessment, or other bonds of any type, shall file, with the Secretary of State, the following information concerning each issue of bonds:

1. **Name of issuer:** City of Madison, South Dakota
2. **Designation of issue:** \$1,400,000 City of Madison, South Dakota Economic Development Revenue Bond (Bethel Lutheran Home Project), Series 2012
3. **Date of issue:** June 12, 2012
4. **Purpose of issue:** Refund outstanding Series 1997 and Series 2003 Bonds, child care center loan, and make additional improvements to facilities.
5. **Type of bond:** Economic Development Revenue Bond
6. **Principal amount and denomination of bond:** \$1,400,000 issued as a single registered bond
7. **Paying dates of principal and interest:**
 - (1) On June 15, 2012, the interest accruing from the issuance date shall be due and payable.
 - (2) Commencing on July 15, 2012, and continuing on the fifteenth day of each succeeding month thereafter, substantially equal monthly installments in an amount sufficient to fully amortize the outstanding principal with interest (at the interest rate as it is adjusted from time to time) over the remaining term of this Bond. The monthly payments will be adjusted on July 15, 2017, July 15, 2022, and July 15, 2027 (each, a "Payment Adjustment Date") to take into account changes in the interest rate on June 1 preceding each Payment Adjustment Date. The monthly payment amount, as so adjusted, will remain in effect until the next Payment Adjustment Date.
 - (3) On June 15, 2032, all principal and accrued interest then outstanding will be due and payable.
8. **Amortization schedule:** Twenty (20) years. See no. 7 above.

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9. Interest rate or rates, including total aggregate interest cost:

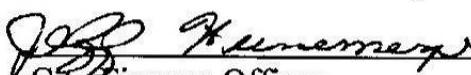
Interest (computed on the basis of a 360-day year of twelve 30-day months) on so much of such Principal Amount as is outstanding from time to time from the date of issue or from the most recent interest payment date to which interest has been paid at the following interest rates:

- (a) Until and including June 14, 2017, interest will accrue at the rate of 4.00% per annum; and
- (b) On June 15, 2017, June 15, 2022, and June 15, 2027, the interest rate will be adjusted to the Prime Rate (as defined in the Loan Agreement) plus 2.25%, multiplied times 70%.

Notwithstanding the foregoing, the interest rate on this Bond will never be less than 4.00% per annum, nor greater than 6.00%.

Total Aggregate Interest Cost: \$636,560

This is to certify that the above information pertaining to the bond is true and correct on this 12th day of June, 2012.



John Henningsen
City Finance Officer